Vote No. 144

June 27, 1997, 11:02 am Page S-6675 Temp. Record

NOT VOTING (0)

SYMBOLS: AY—Announced Yea AN—Announced Nay PY—Paired Yea PN—Paired Nay

TAXPAYER RELIEF ACT/No Tax Hikes for New Entitlements

SUBJECT: Taxpayer Relief Act of 1997 . . . S. 949. Craig motion to waive section 313(b)(1)(A) of the Budget Act for the consideration of the Craig amendment No. 569.

ACTION: MOTION REJECTED, 42-58

SYNOPSIS: As reported, S. 949, the Taxpayer Relief Act of 1997, will provide net tax relief of \$76.8 billion over 5 years and \$238 billion over 10 years. The cost will be more than offset by the economic dividend (\$355 billion over 10 years) that will result from balancing the budget in fiscal year (FY) 2002. This bill will enact the largest tax cut since 1981 and the first tax cut since 1986. It will give cradle-to-grave tax relief to Americans: it will give a \$500-per-child tax credit, education tax relief, savings and investment tax relief, retirement tax relief, and estate tax relief. Over the first 5 years, approximately three-fourths of the benefits will go to Americans earning \$75,000 or less. It will eliminate a third of the increased tax burden imposed by the 1993 Clinton tax hike, which was the largest tax hike in history.

The Craig amendment would establish a point of order against using tax increases to pay for new mandatory spending (mandatory spending is spending that is provided automatically each year unless a law is enacted to rescind or otherwise modify the amount spent). The point of order could be waived by a three-fifths majority (60) vote.

The amendment was offered after all debate time had expired. However, by unanimous consent, some debate was permitted. After debate, Senator Lautenberg raised a point of order that the amendment violated section 313(b)(1)(A) of the Budget Act. Senator Craig then moved to waive that section for the consideration of the amendment. Generally, those favoring the motion to waive favored the amendment; those opposing the motion to waive opposed the amendment.

NOTE: A three-fifths majority (60) vote of the Senate is required to waive section 313(b)(1)(A) of the Budget Act. After the vote, the point of order was upheld and the amendment thus fell.

Those favoring the motion to waive contended:

YEAS (42)

Mandatory spending, particularly entitlement spending, has been growing uncontrollably. It is the primary cause of our huge debt

NAYS (58)

(See other side)

Democrats Democrats Republicans Republicans Democrats Republicans (42 or 76%) (0 or 0%) (13 or 24%) (45 or 100%) (0)(0)Abraham Hutchison Bond Akaka Johnson Allard Inhofe Burns Baucus Kennedy Ashcroft Kempthorne Chafee Biden Kerrey Bennett Kyl Cochran Bingaman Kerry Brownback Lott Collins Boxer Kohl Campbell Mack DeWine Breaux Landrieu McCain Domenici Coats Bryan Lautenberg Coverdell McConnell Gorton Bumpers Leahy Craig Murkowski Jeffords Bvrd Levin D'Amato Cleland Nickles Lugar Lieberman Smith, Gordon Enzi Roberts Conrad Mikulski Faircloth Roth Daschle Moseley-Braun Snowe Frist Santorum Specter Dodd Moynihan Gramm Sessions Dorgan Murray Shelby Reed Grams Durbin Smith, Bob Grasslev Feingold Reid EXPLANATION OF ABSENCE: Gregg Stevens Feinstein Robb Hagel Thomas Ford Rockefeller 1—Official Business Hatch Thompson Glenn Sarbanes 2—Necessarily Absent Thurmond Graham Torricelli Helms 3—Illness Hutchinson Warner Harkin Wellstone 4—Other Hollings Wyden

Inouye

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and steady yearly deficits. It has far outstripped inflation, and continued tax increases have not been able to close the gap. The last bill we considered made some entitlement reforms, but it did not go far enough. The American people are being taxed at the highest rate in history to pay for this mandatory spending, and there is very broad agreement in Congress that they are being taxed too much, which is why this bill is being considered. Raising the net tax burden has not solved the problem before and it will not solve it in the future. The right solution is to limit the total amount of mandatory spending by reforming it. It should not be allowed to continue to grow and use up an ever greater share of the American people's income. On this basis we have proposed the Craig amendment. The Craig amendment would establish a point of order against raising the net tax burden even more to pay for new mandatory spending programs. Such new programs could be enacted, but their costs would have to be offset by enacting reforms to restrain the continued growth in spending in existing programs. Also, tax reforms could be enacted, but the savings would have to be used for greater tax relief or to reduce the deficit. It would take a three-fifths majority vote to waive the point of order. If our colleagues believe like we do that the Federal Government is large enough, then they should join us in voting to waive the Budget Act for the consideration of the Craig amendment.

Those opposing the motion to waive contended:

This amendment would change the pay-go system for mandatory spending to make it impossible to close tax loopholes for new mandatory spending. We think that this amendment is outrageous. The two reconciliation bills together will provide \$24 billion as an entitlement to the States to provide health insurance to the 10 million children in America who currently do not have insurance. If Members wanted to pay for such programs in the future by cutting special interest tax loopholes for rich corporations, they would need 60 votes to waive the point of order that would be created by this amendment. We frankly think that it would be a good idea to expand entitlement spending by getting rid of tax loopholes, so we urge our colleagues not to oppose the motion to waive.